

AMENDED IN SENATE DECEMBER 15, 2009

AMENDED IN SENATE MAY 4, 2009

AMENDED IN SENATE APRIL 13, 2009

AMENDED IN SENATE MARCH 31, 2009

**SENATE BILL**

**No. 694**

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**Introduced by Senator Correa**

February 27, 2009

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*An act to amend Section 22043 of, and to add Section 22015.5 to, the Public Contract Code, relating to public contracts.*

LEGISLATIVE COUNSEL'S DIGEST

SB 694, as amended, Correa. Public contracts: public works: competitive bidding: ~~legislative intent. procedures.~~

*Existing law allows a public agency to elect to be subject to the Uniform Public Construction Cost Accounting Act, which authorizes bidding procedures for public projects, as specified. The act establishes the California Uniform Construction Cost Accounting Commission, which is charged with specified duties, including recommending for adoption by the Controller uniform construction cost accounting procedures for implementation by public agencies in the performance of, or in contracting for, construction on public projects. Under the act, each commission member serves without compensation, but is required to be reimbursed for travel and other expenses incurred, and the commission is authorized to accept grants from federal, state, or local public agencies, or private foundations or individuals, to assist it in carrying out its duties.*

*This bill would authorize the commission to establish and impose reasonable fees upon the public agencies that have elected to be subject*

*to the uniform construction cost accounting procedures. The bill would require the commission to establish the fees or dues in a manner that ensures that the total amount collected equals the amount reasonably necessary to cover the commission's costs in performing its administrative duties.*

*Existing law requires the commission to review the accounting procedures of any participating public agency upon evidence of an interested party that the work undertaken by the public agency (1) is to be performed by the public agency after rejection of all bids, claiming work can be done less expensively by the public agency; (2) has exceeded the force account limits; or (3) has been improperly classified as maintenance. In any of those circumstances, a request for commission review may be made and the commission is required to commence review immediately and conclude within 30 days from the receipt of the request.*

*This bill would extend the time for commission review to 45 days for a review of a public agency project that is to be performed after rejection of all bids, and to 90 days for a review of work for which evidence was provided that the work has exceeded the force account limits or has been improperly classified as maintenance.*

~~Existing law sets forth the requirements for the solicitation and evaluation of bids and the awarding of contracts by public entities for the erection, construction, alteration, repair, or improvement of any public structure, building, road, or other public improvement.~~

~~This bill would declare the intent of the Legislature to enact subsequent legislation that would address issues relating to the competitive bidding process for public contracts, and would make legislative findings and declarations in that regard.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1     SECTION 1. Section 22015.5 is added to the Public Contract
- 2     Code, to read:
- 3     22015.5. The commission shall have the authority to establish
- 4     and impose reasonable fees upon the public agencies that have
- 5     elected to be subject to the uniform construction cost accounting
- 6     procedures. The commission shall establish the fees in a manner
- 7     that ensures that the total amount collected equals the amount

1 *reasonably necessary to cover the commission's costs in*  
2 *performing its administrative duties under this chapter.*

3 *SEC. 2. Section 22043 of the Public Contract Code is amended*  
4 *to read:*

5 22043. (a) In those circumstances as set forth in subdivision  
6 (a) of Section 22042, a request for commission review shall be in  
7 writing, sent by certified or registered mail received by the  
8 commission postmarked not later than five business days from the  
9 date the public agency has rejected all bids. ~~In~~

10 (b) ~~In~~ those circumstances set forth in subdivision (b) or (c) of  
11 Section 22042, a request for commission review shall be by letter  
12 received by the commission not later than five days from the date  
13 an interested party formally complains to the public agency. ~~The~~

14 (c) ~~The~~ commission review shall commence immediately and  
15 conclude within ~~30 the following number of~~ days from the receipt  
16 of the request for commission review.:

17 (1) ~~Forty-five days for a review that falls within subdivision (a)~~  
18 ~~of Section 22042.~~

19 (2) ~~Ninety days for a review that falls within subdivision (b) or~~  
20 ~~(c) of Section 22042. During~~

21 (d) ~~During~~ the review of a project that falls within subdivision  
22 (a) of Section 22042, the agency shall not proceed on the project  
23 until a final decision is received by the commission.

24 ~~SECTION 1. The Legislature finds and declares the following:~~

25 ~~(a) That open, competitive bidding has proven to provide~~  
26 ~~construction services to the people of California at lower cost and~~  
27 ~~has protected taxpayers from the evils of favoritism, fraud, and~~  
28 ~~corruption in the awarding of public contracts.~~

29 ~~(b) This act is not intended to interfere with the operation of~~  
30 ~~any statutes, charter provisions, or ordinances that prescribe~~  
31 ~~competitive bidding, or that specifically exempt contracts from~~  
32 ~~competitive bidding by prescribing some other mode of~~  
33 ~~procurement.~~

34 ~~SEC. 2. It is the intent of the Legislature to enact subsequent~~  
35 ~~legislation that would address issues relating to the competitive~~  
36 ~~bidding process for public contracts.~~